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July 27, 2011

University of California Students and Parents

Dear Friends:

As you may know, the State Budget that the Governor and the Legislature passed at the end of June contained deep, unprecedented cuts to the University of California. In addition to an outright reduction of \$650 million, the budget failed to provide funding for an additional \$350 million in mandatory cost increases over which the University has no control, thus creating a total shortfall in State funds of \$1 billion. Adjusted for inflation and enrollment growth, UC now receives nearly 60 percent less funding per student from the State than it did in 1990.

The Chancellors and I have done everything we can to absorb this massive cut in a way that protects the quality of our students' educational experience--reducing cost, increasing efficiency, and raising revenue whenever possible from other sources. Through these measures, many of which involve significant sacrifice for our faculty and staff, we were able to address nearly three-quarters of the \$1 billion shortfall.

In the end, however, faced with enormous cuts and the possibility that further reductions would lead to unrecoverable losses in quality, we have been forced to turn to students and their families for the remaining revenue. Earlier this month, the Board of Regents approved a tuition increase that will add \$1,068 to mandatory systemwide charges, raising them to \$12,192 for the 2011-12 academic year. Together with the 8 percent hike approved last November, new tuition revenue will offset roughly one-quarter of the shortfall in State funding.

I want to emphasize that The Regents and I made this painful decision only after the campuses and the Office of the President had absorbed as many cuts as possible without irreparably damaging the quality of the system. The leadership of this University is driven by one overriding goal: to protect the quality that has made the University of California a world-class institution, and your degrees a worthwhile investment. Without this tuition increase the quality students and parents expect from a UC education would be at risk.

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We realize there is never a good time for a tuition increase, especially as many families and students are facing economic hardships and uncertainty. But, as you discuss the cost of attending UC, please keep in mind that we have a very strong financial aid program in place to help low- and middle-income families make a UC education financially feasible.

For example, UC's Blue and Gold Opportunity Plan will ensure that all systemwide tuition and fees, including the increase, will be covered with gift aid for financial-aid eligible California-resident undergraduates with family incomes up to \$80,000. And this is just a beginning. Many students can qualify for additional grants to help pay for books and living expenses.

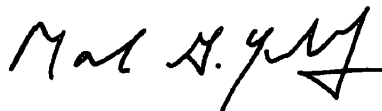
Additionally, for aid-eligible California-resident undergraduates with family incomes between \$80,000 and \$120,000, UC will cover the tuition increase for one year.

No one should feel they have to leave UC due to rising tuition and fees. To our students I want to say that if you feel your debt level is unmanageable or that you may have to leave the University due to rising charges, I implore you to discuss your financial aid options with your campus financial aid office. They are ready to help you explore all options open to you.

UC leaders will continue to do everything in our power to stop the slide in State support of higher education. We encourage you, despite the financial pain caused by tuition increases resulting from funding cuts, to join with us in advocating for long-term stability in State funding. Please register at *UC for California* (<http://www.ucforcalifornia.org/uc4ca/home>) and let our elected officials know that the future of all Californians depends on renewed commitment to higher education.

With best wishes, I am,

Sincerely yours,



Mark G. Yudof
President

cc: Chancellors